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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 12/12/06

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ARTICLES:

(1) Poll on Abe cabinet, political parties

YOMIURI (Page 2) (Full)
December 12, 2006

Questions & Answers

(Figures shown in %age. Parentheses denote the results of a survey conducted in November.)

Q: Do you support the Abe cabinet?

Yes	55.9	(65.1)
No	30.0	(21.7)
Other answers (O/A)	3.5	(3.1)
No answer (N/A)	10.6	(10.1)

Q: Which political party do you support now? Pick only one.

Liberal Democratic Party (LDP)	40.8	(45.9)
Democratic Party of Japan (DPJ or Minshuto)	11.7	(11.2)
New Komeito (NK)	2.7	(2.2)
Japanese Communist Party (JCP)	1.2	(1.8)
Social Democratic Party (SDP or Shaminto)	1.0	(1.2)
People's New Party (PNP or Kokumin Shinto)	---	(0.2)
New Party Nippon (NPN or Shinto Nippon)	---	(0.1)
Other political parties	0.1	(0.1)
None	41.7	(36.8)
N/A	0.9	(0.6)

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Q: It's nearly three months since Prime Minister Abe came into office. What's your overall rating of Prime Minister Abe and his cabinet's performance?

Appreciate very much	6.6
Appreciate somewhat	38.1
Don't appreciate very much	33.9
Don't appreciate at all	11.2
N/A	10.1

Q: What's your rating of the Abe cabinet's domestic policies?

Appreciate very much	5.4
Appreciate somewhat	33.3
Don't appreciate very much	37.2
Don't appreciate at all	13.3
N/A	10.8

Q: What's your rating of the Abe cabinet's foreign policies?

Appreciate very much	10.9
Appreciate somewhat	42.3
Don't appreciate very much	25.9
Don't appreciate at all	10.4
N/A	10.5

Q: The LDP has now reinstated "postal rebels" who opposed postal privatization in last year's election for the House of Representatives and left the LDP thereafter. Do you support their return to the LDP?

Yes	11.0
Yes to a certain degree	14.5
No to a certain degree	23.2
No	43.6
N/A	7.7

Q: Do you think the LDP's reinstatement of those postal rebels will be a plus to the LDP in campaigning for next summer's election for the House of Representatives, or do you otherwise think it will be a minus?

Plus	9.4
Plus to a certain extent	16.4
Minus to a certain extent	26.0
Minus	36.6
N/A	11.6

Q: Do you have expectations for Prime Minister Abe?

Yes	35.9
Yes to a certain degree	29.1
No to a certain degree	16.7
No	16.2
N/A	2.2

Polling methodology

Date of survey: Dec. 9-10.

Subjects of survey: 3,000 persons chosen from among all eligible voters throughout the country (at 250 locations on a stratified two-stage random sampling basis).

Method of implementation: Door-to-door visits for face-to-face interviews.

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Number of valid respondents: 1,751 persons (58.4%).

(2) Abe cabinet spirals down in public support; Public critical of reform slowdown

MAINICHI (Page 2) (Abridged)
December 12, 2006

Prime Minister Shinzo Abe and his cabinet sank further in public support. In the latest Mainichi Shimbun poll conducted Dec. 9-10, the Abe cabinet's popularity rating plunged to 46%, down 7 percentage points from a survey taken two weeks earlier and down 21 points from a survey taken right after its inauguration two and a half months ago. The prime minister-concurrently the ruling Liberal Democratic Party's president-came under fire for reinstating "postal rebels" in the LDP. In addition, the premier is also under pressure from his ruling party to transform road-related tax revenues, which have been exclusively set aside for road construction, into general-purpose revenues. These factors appeared to be a slowdown of reforms in the public eye, presumably a primary reason for the Abe cabinet's downspin in public support. If the approval rating continues to edge down, the Abe cabinet's advocacy of reforms under the premier's initiative would fizzle out, and the red light may be on to the LDP in next year's election for the House of Councillors.

Questions & Answers

(T = total; P = previous; M = male; F = female)

Q: Do you support the Abe cabinet?

	T	P	M	F
Yes	46	(53)	43	50
No	30	(22)	37	23
Not interested	21	(21)	19	24

Q: (Only for those who answered "yes" to the above question) Why?

T	P	M	F
Because the prime minister is from the Liberal Democratic Party			
13	(11)	16	11
Because something can be expected of the prime minister's leadership			
17	(16)	14	19
Because there's a young, fresh image about the prime minister			
47	(51)	46	48
Because something can be expected of the prime minister's policy measures			
20	(18)	21	19

Q: (Only for those who answered "no" to the above question) Why?

	T	P	M	F
Because the prime minister is from the Liberal Democratic Party				

13	(16)	17	8
Because nothing can be expected of the prime minister's leadership			

33	(28)	31	37
Because the prime minister is inexperienced, weak			
18	(12)	17	20
Because I'm opposed to the prime minister's policies			

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34	(41)	34	35
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Q: Which political party do you support?

	T	P	M	F
Liberal Democratic Party (LDP)				
31	(33)	31	31	
Democratic Party of Japan (DPJ or Minshuto)				
17	(15)	22	13	
New Komeito (NK)				
4	(6)	3	6	
Japanese Communist Party (JCP)				
3	(2)	3	3	
Social Democratic Party (SDP or Shaminto)				
1	(2)	1	2	
People's New Party (PNP or Kokumin Shinto)				
0	(0)	0	0	
New Party Nippon (NPN or Shinto Nippon)				
0	(0)	0	--	
Other political parties				
1	(1)	2	1	
None				
39	(39)	36	42	

(Note) Figures shown in%age, rounded off. "0" indicates that the figure was below 0.5%. "--" denotes that no respondents answered. "No answer" omitted. Figures in parentheses denote the results of the last survey conducted Nov. 25-26.

Polling methodology: The survey was conducted Dec. 9-10 over the telephone with the aim of calling a total of 1,500 voters across the nation on a computer-aided random digit sampling (RDS) basis. Answers were obtained from 1,451 persons.

(3) Poll on Abe cabinet, political parties, educational reform

ASAHI (Page 4) (Full)
December 12, 2006

Questions & Answers

(Figures shown in%age, rounded off. Bracketed figures denote proportions to all respondents. Parentheses denote the results of a previous survey conducted Nov. 11-12 unless otherwise specified.)

Q: Do you support the Abe cabinet?

Yes	47	(53)
No	32	(21)

Q: Why? (One reason only. Left column for those marking "yes" on previous question, and right for those saying "no.")

The prime minister is Mr. Abe	21(10)	5 (2)
It's an LDP-led cabinet	23(11)	31(10)
From the aspect of policies	24(11)	55(18)
No particular reason	29(14)	6 (2)

Q: Which political party do you support now?

Liberal Democratic Party (LDP)	36	(38)
Democratic Party of Japan (DPJ or Minshuto)	14	(14)
New Komeito (NK)	4	(3)

Japanese Communist Party (JCP)	3	(2)
Social Democratic Party (SDP or Shaminto)	2	(1)
People's New Party (PNP or Kokumin Shinto)	0	(0)
New Party Nippon (NPN or Shinto Nippon)	0	(0)
Other political parties	0	(0)
None	36	(34)
No answer (N/A) + don't know (D/K)	5	(8)

Q: Q: Which political party between the LDP and the DPJ would you like to win in next summer's election for the House of Councillors? (Parentheses denote the results of a survey conducted Sept. 26-27.)

LDP	43	(47)
DPJ	35	(36)

Q: When Prime Minister Abe came into office, he vowed to make positive efforts for reforms. Do you think he remains committed to reforms, or do you otherwise think he has backed down?

He remains committed to reforms	29
He's backed down	46

Q: The LDP has reinstated 11 lawmakers who swore in written form to stand for postal privatization among those who voted against postal privatization and who were ousted from the LDP. Do you support this reinstatement?

Yes	23
No	67

Q: In last year's election for the House of Representatives, the LDP fielded candidates against lawmakers who opposed postal privatization. This time, the LDP allowed those ousted lawmakers' return to the party. Do you think this is inconsistent with the LDP's stance in the House of Representatives election?

Yes	71
No	19

Q: Prime Minister Abe said the LDP would not return to its old self with its reinstatement of those ousted lawmakers. Do you think the LDP would not return to "its old self" under Mr. Abe?

The LDP would not return to its old self	37
The LDP would return to its old self	40

Q: Do you think the LDP's reinstatement of those ousted lawmakers will work to the LDP's advantage or will work to its disadvantage in next year's election for the House of Councillors, or do you otherwise think it will neither work to its advantage nor will it work to its disadvantage?

Advantage	15
Disadvantage	43
Neither	36

Q: Do you think the nation's economy is improving or worsening, or do you otherwise think it remains unchanged? (Parentheses denote the results of a survey conducted March 18-19.)

Improving	19	(30)
Worsening	19	(12)

Unchanged	57	(55)
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Q: Prime Minister Abe is taking the policy of promoting Japan's economic growth with emphasis on leverage to businesses. Do you support this policy?

Yes	49
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Q: Do you think you will be better off or worse off under Prime Minister Abe's economic policy, or do you otherwise think there will be no change?

Better off	5
Worse off	25
No change	65

Q: The Educational Reform Council, set up under Prime Minister Abe's initiative, came up with a report of urgent recommendations late last month, indicating that one who turns blind eyes to bullying, though not taking direct part in it, is the same as bullying. Do you think such a way of thinking is appropriate or going too far?

Appropriate	52
Going too far	31

Q: The Educational Reform Council, in its report of recommendations, proposes taking resolute actions, such as moving bullying children into a different classroom to educate them and having them volunteer for social work. Do you think such actions will work well to eliminate bullying?

Yes	34
No	54

Q: What's the matter of primary concern to you about the issue of bullying? (One choice only)

Bullied children have no one to consult with	21
Bullying children have no sense of guilt	32
Parents are unaware of bullying	18
Teachers can't respond appropriately to bullying	22

Polling methodology: The survey was conducted Dec. 9-10 over the telephone on a computer-aided random digit dialing (RDD) basis. Respondents were chosen from among the nation's voting population on a three-stage random-sampling basis. Valid answers were obtained from 2,018 persons (57%).

(4) V-shaped airstrips plan: US consul general implies 2-way landings as likely; Japan, US may diverge

OKINAWA TIMES (Page 2) (Full)
December 9, 2006

Defense Agency Director General Fumio Kyuma, sitting in on the House of Representatives Security Affairs Committee in its meeting yesterday morning, stated that US military aircraft would not make landings from both ends of newly planned V-shaped airstrips at an alternative facility to be built for the US Marine Corps' Futenma Air Station. In this connection, US Consul General in Okinawa Kevin Maher told the Okinawa Times yesterday that the United States has told the Japanese government that US military aircraft could make

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landings from both ends in training for emergencies or in touch-and-go practice.

Maher said he did not know what Kyuma had stated before the committee. However, Japan and the United States may clash over the issue bidirectional landings at the new V-shaped airfield.

"We should try to avoid flying above populated areas, and we understand that we will have to make efforts," Maher said. "But," he added, "we have not agreed (on what Kyuma said) with the Japanese government." He explained that US military aircraft would normally make landings at runways where approach lights are set up. "However," he also said, "we expect US military aircraft will need (to use both ends of the airstrips for landings) at times in training for emergencies or in touch-and-go practice."

Meanwhile, Maher noted that aircraft to be mainly deployed at the alternative facility would be helicopters instead of fixed-wing

aircraft. He also indicated that US military choppers would not necessarily avoid passing over populated areas when making landings from both ends in their touch-and-go practice.

(5) JDA chief Kyuma reveals intention to consider speeding up the completion of Futenma relocation by shortening environmental survey, construction period

TOKYO (Page 2) (Full)
Eve., December 12, 2006

Defense Agency Director General Fumio Kyuma in a press conference this morning following a cabinet meeting revealed his intention in connection with the relocation of Futenma Air Station (Ginowan City, Okinawa Prefecture) -- a key element in the realignment of US forces in Japan -- to consider a possible speeding up of the plan to construct a V-shaped runway on the shores of Camp Schwab (Nago City, same prefecture). He said: "We should be able to pool our wisdom (to shorten the construction time) by such means as reducing the (environmental assessment survey) from three years to two, and shave off the construction period by a year." He announced that the plan was for the environmental survey along the shore (of Camp Schwab) to start next year.

Kyuma was talking in connection with the view of Okinawa Governor Hirokazu Nakaima, who wants the dangerous nature of Futenma airfield removed in three years.

The Japanese and US government have agreed that upon completion of a three-year environmental survey at the relocation site, work would begin on constructing the runway.

(6) Nakaima's flexible stance on government's Futenma relocation plan draws fire from opposition parties

YOMIURI (Page 4) (Full)
December 12, 2006

Hirokazu Nakaima started his official duties yesterday as governor of Okinawa. Nakaima, a key person in the planned relocation of Futenma Air Station in Ginowan, had indicated in his inaugural press conference that he would deal more flexibly with the government's plan to build an alternative facility on the coastline of Camp Schwab in Nago. His reconciliatory attitude has elicited strong criticism from opposition parties. A confrontational mood between

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the ruling and opposition parties is still evident even after the gubernatorial election.

Bar lowered

Nakaima held a press conference in his office yesterday morning in which he clearly expressed his willingness to cooperate with the government, saying: "I will not totally reject the government's plan. I will discuss the matter with the government based on the views of residents of Nago and Okinawa."

At the same time, as the condition for studying the government's plan, Nakaima underlined his campaign pledge of bringing Futenma Air Station to a "state of closure" in three years. He also explained: "A state of closure (heisa joutai) is different from closure (heisa). It is like a store that is open but has suspended business." He also referred to this condition as demand against the government rather than a target.

Hearing Nakaima's remarks, a government source said, "The governor has slightly lowered the bar."

Antagonistic mood

Nakaima's flexible stance has drawn strong criticism from the opposition camp, which had backed former Upper House lawmakers Keiko Itokazu, who was defeated by Nakaima in the Nov. 19 gubernatorial election.

The Social Democratic Party Okinawa chapter confirmed earlier this month to monitor Nakaima's efforts to implement his campaign pledges. "The gubernatorial race is over, and Mr. Nakaima is beginning to show his true colors," said Yonekichi Shinzato, secretary general of the Social Democratic Party Okinawa chapter.

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The opposition bloc plans to question Nakaima's flexible posture at the prefectural assembly that will open tomorrow.

The confrontational mood has its roots in a series of elections next year.

Elections for the Upper House seat vacated by the resignation of Itokazu and for the mayor of Ginowan, home to Futenma Air Station, will take place in April. In July, Upper House election will be held.

The ruling and opposition camps are expected to clash head on in those elections. "If the Okinawa public think the governor has failed to keep his campaign pledges and made concessions to the government, we won't be able to fight in the elections," a ruling party member noted.

Hard circumstances

The government is in a difficult situation, as well. It plans to resume talks on the relocation issue with Okinawa and relevant municipalities later this month. Nakaima has reportedly asked the government to remove dangerous nature in a way visible to Okinawa residents.

Plans to relocate US military exercises to locations outside Okinawa or Japan are envisioned. Wrapping up talks with the US in a short period of time will not be easy. The government does not have any good ideas to swiftly eliminate the base's dangerous nature.

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Shimabukuro to take concerted action with Nakaima

Nago Mayor Yoshikazu Shimabukuro expressed his intention by Dec. 11 to take concerted action with the prefectural government for relocating functions of Futenma Air Station to his city. Shimabukuro said to reporters, "I would like to push ahead with talks (with the government) while consulting with Gov. Nakaima."

(7) Shiozaki: Measures to prevent abuse of triangular merger scheme must be kept to minimum

NIHON KEIZAI (Page 2) (Full)
Evening, December 11, 2006

Chief Cabinet Secretary Yasuhisa Shiozaki indicated in a press conference this morning that measures to prevent misuse of the so-called triangular merger scheme allowing foreign companies to take over Japanese firms by offering their own shares must be kept to a minimum. He said: "The policy is intended to increase direct investments in Japan. It should result in tax reform in line with the Abe cabinet's vision of revitalizing Japan." Shiozaki said that he had conveyed a similar view to the Finance Ministry and the Economy, Trade and Industry Ministry, as well. He also brushed aside a rumor that foreign entities, such as the American Chamber of Commerce in Japan, had strongly lobbied Tokyo not to bloc the triangular merger scheme, saying: "No one applied pressure on me. Since we have been advocating it from long before, we have a big vision."

(8) Resilience of Japan and US; Time to regain calm

MAINICHI (Page 2) (Abridged)
December 10, 2006

By Makoto Iokibe, President of the National Defense Academy of Japan

Signs of resilience have been detected in the year 2006, which is about to end.

Resilience is clearly factored in the US political system, which is designed to give the public a chance for change once in every four years with a series of congressional and gubernatorial elections in between.

In the latest midterm elections in November, the Republican Party was forced into a minority, putting an end to its 12-year rule over the Senate and the House. A change of this level in US politics is usually regarded as a premonition of a victory of the opposition party in the presidential election two years away.

Receiving a set of recommendations by the Iraq Study Group headed by former Secretary of State James Baker, the Bush administration is expected to desperately search for an exit strategy of the Iraq war, the very reason why the Republicans suffered a setback. But turning around the negative public assessment of the Bush administration that has steered the country into the Iraq war, which is now turning into a quagmire, will not be easy. Even the anti-Bush group in the Republican Party would find it difficult to enlist support widely from the general public. American politics seems to be inching toward a regime change. The question is whether the opposition Democratic Party can field a candidate who can ride the crest of

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this trend.

How would the trend of US politics shift? The post-9/11 war fever is certain to wane. Experiencing the extremely rare attacks on the homeland, the US attacked Afghanistan in the name of war on terror. It was a necessary step for global security. But the war on terror did not stop there. The powerful neo-cons in the Bush administration contending that the US must not hesitate to use force for the cause of democracy added an unfortunate direction to the national war fever. With the aim of repainting the strategically vital Middle East, the Bush administration waged war on Iraq on the pretext of eliminating weapons of mass destruction. Although the US overwhelmingly won the war in Iraq, it has failed to bring public law and order to the country. Effectively, 140,00 US troops in Iraq are on landmines.

Pragmatism will never die out in American politics, which always allows much breadth whenever a new trend appears. Although neo-conservatism involving even religious fundamentalism seemed an invincible new trend at one point, the US populace are now showing its resilience

The war on terror is important, but rushing to war by brandishing the threat of preemptive strikes is not wise policy. Instead, the US should have given more priority to apprehending terrorists, like Britain. From now on, the US can be expected to deal with tough international issues in collaboration with European allies rather than opting to go to war by assembling another coalition of the willing.

A certain level of resilience seems to be working in Japanese politics, as well. Contrary to the US, Japan suffered from a lost decade in the post-cold war era and experienced domestic and international crises. From the end of the 20th century through the beginning of the 21st century, Japan became sulky and angry driven by self-respect and exclusive nationalism.

The trend was not peculiar to Japan; it was universal. It is natural for countries to develop an ability to counter the tsunami of globalization, which knows no borders.

In Japan, too, anger has run high against a series of abductions of Japanese nationals by North Korea and its missile and nuclear tests. Japan also keenly reacted to anti-Japan campaigns in China and South Korea. Japan installed Shinzo Abe as its prime minister at the height of such negative sentiments. He has succeeded in mending ties to Beijing and Seoul, bringing a sense of calm to Japanese society.

People tend to focus only on changes in short-term trends and

policy. The important thing is to develop a politics with high standards.

(9) M&A and corporate defense: Nippon Keidanren urges stricter requirements for triangular mergers: Measures to prevent technology drain also proposed

YOMIURI (Page 10) (Full)
December 12, 2006

The Japan Business Federation (Nippon Keidanren) has compiled a set of proposals for strengthening regulations to protect companies from takeover bids. The details of the proposals were revealed yesterday. The report included a call for adopting strict requirements for

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triangular mergers, a new type of an M&G method to be legalized next May as well as to establish a new law regulating hostile takeovers. It also incorporated a request for introducing a measure to prevent Japanese companies' sophisticated production technologies from flowing out to other countries. Nippon Keidanren will release this set of proposals today. The report called for strict requirements for triangular mergers from the perspective of protecting stockholders in the event of stockholders of a target Japanese company receiving stocks of an acquiring company that is not listed on a Japanese bourse as the merger consideration for abandoning Japanese shares.

To be precise, Nippon Keidanren demands that triangular mergers should be authorized, based on a specific resolution adopted by a majority in terms of the number of stockholders and more than two-thirds in terms of the number of stockholders with voting right, instead of a special resolution, which requires approval by more than two-thirds of stockholders, of whom a majority must have voting right.

Referring to the Delaware State Law, Nippon Keidanren called for establishing legislation regulating corporate mergers designed to regulate hostile takeover bids. The Delaware Law stipulates that in the event of a hostile takeover bidder acquiring more than 15% of stocks of a target company, the planned merger cannot be accomplished for three years since then unless the case obtains approval from two-thirds of stockholders with voting right, excluding the hostile bidder.

As a measure to prevent technology drain, Nippon Keidanren insisted that intellectual property rights, such as corporate production methods and manufacturing technologies should be covered by an amended Foreign Exchange and Foreign Trade Control Law, which controls exports of weapons and the like, from the perspective of security.

Gist of proposals by Nippon Keidanren on consolidation of legal base

Stricter requirements for mergers in which stocks not listed in Japan are used as the merger consideration, including the adoption of a specific resolution at a stockholders meeting

Consolidate legislation to regulate mergers with the aim of restricting mergers by hostile takeover bidders.

Grant an option to stockholders of a target company in a takeover bid (TOB), if stocks of an acquiring company, which is not listed in Japan, are used for the merger consideration.

Take a second look at a regulation of the listing of stocks so as to enable diversified kinds of shares and measures to protect companies from hostile takeover bids.

Expand the coverage of the export regulation of the Foreign Exchange and Foreign Trade Control Law in order to cover intellectual property rights, such as production methods and technologies.

A deferred-tax rule should not be applied to stock swaps using paper companies that have no business substance.

(10) Assassinations of anti-establishment members -- dark side of Russia - rampant since Soviet era; Former KGB agents actively

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conducting activities in Japan

MAINICHI (Top play) (Excerpts)
Evening, December 12, 2006

A former Russian FSB agent exiled in Britain was murdered with polonium, a rare and highly radioactive metalloid. Although the truth behind his death remains unknown, there are voices in Europe and the United States speculating the involvement of Russian authorities. There seems to be no end to the assassinations of anti-establishment members. Is the country's dark side since it was called the Soviet Union still alive?

Many former KGB agents seem to be still conducting activities in Japan. According to what a former KGB agent of British nationality told the Mainichi Shimbun, the number of spies in Japan has increased in the post-cold war era. "Before the Cold War, the number was 300 or so, but now it's greater. Besides Russia, their nationality includes Japan, South Korea, and China," he said.

To Russian authorities, Japan is important following North America and former Western Europe. They take a strong interest mainly in trade and technology information. He added: "Agents have been obtaining US military intelligence in Japan since the Cold War era to send it to Russia. Main targets are government offices and their auxiliary organizations. To Russia, Japan is an important base."

SCHIEFFER